(d) whether the foreign exchange outflow as a proportion of investment has been increasing in the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b). The number of foreign collaboration proposals, envisaging direct foreign investment in the form of equity in Indian Companies approved during the years 1990 and 1991 and the total amount of foreign investment involved in these proposals are as under:—

| Year | No. of foreign Collaboration Proposals approved, envisaging foreign direct investment in Indian Companies. | Total amount of foreign direct investment envisaged. |
|---|---|---|
| 1990 | 194 | Rs. 128 Crores |
| 1991 (upto October, 1991) | 148 | Rs. 290 Crores |

(c) The amount of dividend remitted by FERA Companies during the last three years has been reported by the RBI, as under:—

| Year | Dividend remitted |
|---|---|
| 1988-89 | Rs. 51·47 Crores |
| 1989-90 | Rs. 59·17 Crores |
| 1990-91 | Rs. 68·89 Crores |

(d) As per Reserve Bank of India, the total investment of 92 FERA companies is Rs. 380.90 crores upto 28-02-1990. This is based on their capital structure for the years 1987 to 1989. Proportion of outflow of foreign exchange through dividend of these companies to the amount of total stated above is as under:—

| Year | Dividend remitted |
|---|---|
| 1988-89 | 18·32 |
| 1989-90 | 21·06 |
| 1990-91 | 24·50 |

The amount originally invested are in foreign currencies. However, no mention has been made for depreciation of the Rupee *vis-a-vis* other currency and amount of Rs. 280.90 crores has been assumed as constant for working out the proportions.

**Proposal for a joint venture between Maruti Udyog Limited and Ford Motors of U.S.**

735. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the PRIME MINISTER be pleased to state:

(a) whether the Foreign Investment Board has cleared the proposal for a joint venture between Maruti Udyog Limited and the Ford Motors of the U.S. for the manufacture of radiators;

(b) if so, the details of the proposal as approved; and

(c) the steps taken to implement the same?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) Yes, Sir.

(b) A Statement giving the details of the project, as approved by Government, is attached. (*See* below)

(c) The joint venture company is likely to be incorporated by December, 1991. The factory site has already been selected. Equipment and facilities required for the project are being processed. The produc-

tion is expected to start by Febuary, 1993.

(1) Name and address of foreign collaborations:

(i) M/s. Ford Motor Company, USA
(ii) M/s. Sumitomo Corporation, Japan.

(2) Equity:

Ford—56% (Rs. 7.45 crores)
Sumitomo—5% (Rs. 56 lakhs)
Maruti—39% (Rs. 5.19 crores

(3) Import of capital goods worth Rs. 5.41 crores envisaged for the project would be met out of the foreign equity. In addition, Rs. 2.7 crores which is paid to Ford Motor Company representing Development Cost for the project would be treated as equity.

(4) Royalty will be 3% on internal sales and 5% on exports, both subject to taxes, for a period of 7 years.

(5) The duration of the technology agreement will be 10 years from the date of agreement or 7 years from the date of commencement of commercial production.

(6) Foreign exchange requirement for imported capital goods, if any, will not exceed the amount of foreign equity to be brought in.

(7) The outflows on account of dividend payments will be balanced by export earnings over a period of 7 years from commencement of production.

(8) The project cost is Rs. 24.75 crores Equity — RRs. 13.3 crores)

**एच. ई. सी., रांची में घाटा**

736. **श्री ईश दत्त यादव** : क्या **प्रधानमंत्री** यह बताने की कृपा करेंगे कि :

(क) क्या रांची स्थित हैवी इंजीनियरिंग कारपोरेशन (एच०ई०सी०) उद्योग घाटे में चल रहा है ;

(ख) यदि हां, तो इसके क्या कारण हैं ;

(ग) पिछले तीन वर्षों के दौरान इस निगम में कितने रुपये मूल्य का उत्पादन हुआ है और इसमें हुए लाभ तथा हानि का ब्योरा क्या है ; और

(घ) इस संबंध में सरकार द्वारा उठाये गए कदमों का ब्योरा क्या है ?

**उद्योग मंत्रालय में राज्य मंत्री (श्री पी० के० चूंगन)** (क) जी, हां ।

(ख) कारपोरेशन मुख्य रूप से, अपर्याप्त और असंतुलित क्रयादेश, अधिक जनशक्ति, उच्च ऊपरी खर्चों, कठिन वित्तीय समस्या, बिजली की कमी, घटिया कार्य पद्धति, पुरानी मशीनों और ग्राहकों से अधिक बकायों आदि कारणों से घाटा उठा रही है । तथापि, क्रयादेश स्थिति में हाल में सुधार हुआ है ।

(ग) पिछले तीन वर्षों में उत्पादन की कुल मात्रा, लाभ तथा हानि नीचे दर्शाए गए हैं :—

(करोड़ रुपये में)

| वर्ष | उत्पादन की मात्रा | लाभ (+) हानि (—) |
|---|---|---|
| 1988–89 | 352.67 | (–) 12.53 |
| 1989–90 | 368.62 | (–) 33.62 |
| 1990–91 | 263.80 | (–) 99.51 |

(घ) कम्पनी की वित्तीय स्थिति काफी समय तक चिंताजनक रही है जिससे कम्पनी का कार्य संचालन प्रभावित हुआ है । वर्तमान वित्तीय संकट को दूर करने